

**FISCAL YEAR 2020 BUDGET**

**Fund Summary**

**Fund Name** : Long Term Disability  
**Business Area** : Human Resources  
**Fund No./Bus. Area No.** : 9001 / 8000

	<u>FY2019 Current Budget</u>	<u>FY2019 Estimate</u>	<u>FY2020 Budget</u>
Beginning Fund Balance	4,089,386	4,089,386	3,887,481
Current Revenues	1,388,924	1,493,328	1,448,334
Total Available Resources	<u>5,478,310</u>	<u>5,582,714</u>	<u>5,335,815</u>
Maintenance and Operations	1,695,233	1,695,233	1,390,000
Total Expenditures	<u>1,695,233</u>	<u>1,695,233</u>	<u>1,390,000</u>
Planned Ending Fund Balance	<u>3,783,077</u>	<u>3,887,481</u>	<u>3,945,815</u>
Total Budget	<u><u>5,478,310</u></u>	<u><u>5,582,714</u></u>	<u><u>5,335,815</u></u>

The above summarizes the FY2019 Budget, the FY2019 Estimate and the FY2020 Budget for the Long Term Disability (LTD) Internal Service Fund. Also included are the beginning and ending fund balances, total revenues and total expenditures.

The LTD plan is a self-insured program established in 1985 and has been modified several times. In 2001, classified police officers were removed from the plan as a result of Meet and Confer negotiations, which replaced their disability plan with a Paid Time Off (PTO) program. Effective September 1, 2008, each new permanent full-time employee (other than classified police officers) is eligible for LTD coverage after one year of employment (previously two years).

The plan is actuarially funded, which means that each year's expenditures are a combination of current payments to disabled employees and an amount needed to ensure the long-term financial soundness of the fund. An independent actuary makes a determination of the most likely future trends in expenditures and investment return and suggests a proper contribution.

The Human Resources Department administers the plan and coordinates benefits to disabled employees in a way to avoid possible duplication of benefits with other insurance programs. A third-party administrator determines eligibility and pays claims.

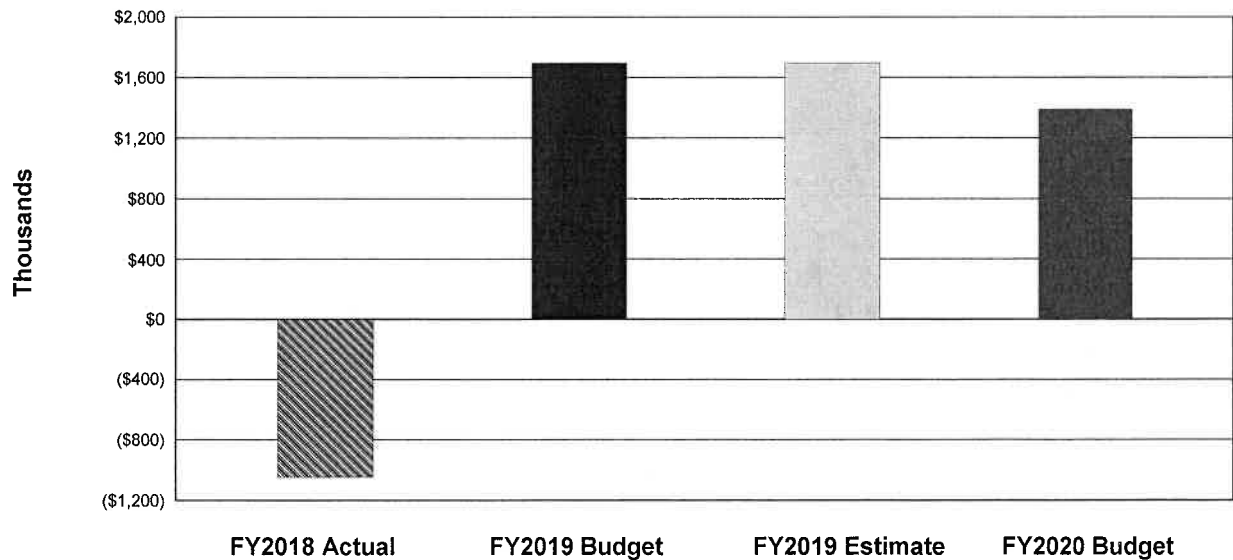
Like all internal service funds, the Long Term Disability Fund derives its revenue from other City departments by transfer, through premium charges contained in each department's budget (G/L expense accounts 503060-Long Term Disability Civilian and/or 503061-Long Term Disability Classified). These premium charges cover the actuarially determined contributions as discussed above plus an amount for third-party administrative fees.

**FISCAL YEAR 2020 BUDGET**

**Business Area Budget Summary**

<b>Fund Name</b> : Long Term Disability					
<b>Business Area</b> : Human Resources					
<b>Fund No. /Bus. Area No.</b> : 9001 / 8000					
		<b>FY2018 Actual</b>	<b>FY2019 Current Budget</b>	<b>FY2019 Estimate</b>	<b>FY2020 Budget</b>
Expenditures	Other Services and Charges	(1,045,804)	1,695,233	1,695,233	1,390,000
	Total M & O Expenditures	(1,045,804)	1,695,233	1,695,233	1,390,000
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	(1,045,804)	1,695,233	1,695,233	1,390,000
Revenues		1,449,569	1,388,924	1,493,328	1,448,334
Staffing	Full-Time Equivalents - Civilian	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> <li>o The FY2020 Budget continues funding on a full accrual basis supported by actuarial valuation and includes benefits for eligible employees in the LTD program.</li> <li>o The FY2020 contributions from City departments are based on FY2020 contribution rate of \$7.06/month per eligible employee. The FY2020 average eligible employee base is estimated at 15,325 employees.</li> </ul>				

**Long Term Disability  
Human Resources  
Expenditure Summary**



**FISCAL YEAR 2020 BUDGET**

**Division Summary**

**Fund Name** : Long Term Disability  
**Business Area** : Human Resources  
**Fund No. /Bus Area No.** : 9001 / 8000

Division Description	FY2018 Actual		FY2019 Estimate		FY2020 Budget	
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
<b>HR - Benefits Administration</b> <span style="float:right">800012</span> Process long term disability claims for eligible employees. The claim costs are actuarially determined.	0.0	(1,045,804)	0.0	1,695,233	0.0	1,390,000
<b>Total</b>	<u>0.0</u>	<u>(1,045,804)</u>	<u>0.0</u>	<u>1,695,233</u>	<u>0.0</u>	<u>1,390,000</u>

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**FISCAL YEAR 2020 BUDGET**

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**Business Area Revenues Summary**

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**Fund Name** : Long Term Disability  
**Business Area** : Human Resources  
**Fund No./Bus. Area No.** : 9001 / 8000

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<b>Category</b>	<b>FY2018 Actual</b>	<b>FY2019 Current Budget</b>	<b>FY2019 Estimate</b>	<b>FY2020 Budget</b>
Direct Interfund Services	1,313,212	1,308,924	1,293,328	<b>1,298,334</b>
Interest	136,357	80,000	200,000	<b>150,000</b>
<b>Grand Total Revenues</b>	<u><u>1,449,569</u></u>	<u><u>1,388,924</u></u>	<u><u>1,493,328</u></u>	<u><u>1,448,334</u></u>